# CURTIS THAXTER STEVENS BRODER & MICOLEAU LLO

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March 22, 2006

# VIA Electronic Mail and Hand Delivery

Board of Directors, Dirigo Health Agency Attn: Lynn Theberge Dirigo Health Agency 211 Water Street Augusta, Maine

In Re: Determination of Aggregate Measurable Cost Savings

For The Second Assessment Year (2007)

## FILING COVERSHEET

Dear Ms. Theberge:

Enclosed for filing please find the following:

Submitted by:

George M. Linge

Date Filed:

March 22, 2006

Party:

Maine Association of Health Plans ("MEAHP")

Document:

Supplemental List of Witnesses and Documents

**Document Type:** 

Supplemental List of Witnesses and Documents

George M. Linge

Sincerely,

Confidential:

No

cc:

Service List

#### STATE OF MAINE

## **DIRIGO HEALTH AGENCY**

| IN RE: DETERMINATION OF | ) |                                |
|-------------------------|---|--------------------------------|
| AGGREGATE MEASURABLE    | ) | SUPPLEMENTAL LIST OF WITNESSES |
| COST SAVINGS FOR THE    | ) | AND DOCUMENTS SUBMITTED BY     |
| SECOND ASSESSMENT YEAR  | Ú | INTERVENOR THE MAINE           |
|                         | ) | ASSOCIATION OF HEALTH PLANS    |
|                         | ) |                                |

Pursuant to Procedural Order No. 3 issued on February 22, 2006 by the Board of Directors of the Dirigo Health Agency ("DHA") and the List of Witnesses and Documents Submitted by Intervenor the Maine Association of Health Plans ("MEAHP") on March 10, 2006, MEAHP hereby supplements the lists of witnesses and documents it plans to present at the hearing. Again, MEAHP incorporates by reference the objections and reservations of rights posited in its previous List of Witnesses and Documents.

## A. <u>WITNESSES</u>

Daniel Fishbein, M.D.
 Aetna, Inc.
 175 Running Hill Road, Suite 301
 South Portland, ME 04106
 Telephone No. 207-791-7950

Dr. Fishbein is the head of Health Plan Alliances for Aetna, Inc.; previously he was general manager for Aetna's Maine operations. He is expected to offer the following testimony:

 A discussion of Aetna's Maine health plans and network operations, including but not limited to the following: premiums for Aetna's products in Maine, medical costs incurred by Aetna in Maine, whether Aetna has realized any savings as a

- result of the operation of Dirigo Health, and the potential impact of adding a savings offset payment ("SOP") to Aetna's prices.
- A critique of DHA's proposed methodology for calculating AMCS, including but not limited to the following: that several categories of putative savings included in DHA's determination of AMCS should not be included pursuant to the Dirigo Act, that DHA's calculation of AMCS is arbitrary, and that DHA's calculation of AMCS does not reflect any actual savings passed on to payors by providers.
- Jennifer D. Rottkamp
   Actuarial Director
   CIGNA Healthcare
   B233
   900 Cottage Grove Road
   Hartford, CT 06152
   Telephone: (860) 226-3309

Ms. Rottkamp is an actuarial director with CIGNA Healthcare. Ms. Rottkamp is expected to offer the following testimony:

A critique of DHA's proposed methodology for calculating AMCS, including but not limited to the following: that the putative savings claimed by DHA are illusory because they cannot be separated from national and local medical cost trends, that a methodology which only counts savings from certain hospitals is contrary to actuarial principles and will always produce putative savings regardless of the operation of Dirigo Health, that factors such as utilization trends and the underwriting cycle have a much greater impact than any impact from the operation of Dirigo Health, and that adding up to a 4% surcharge on paid claims (in the form of an SOP) likely will cause an increase in the number of uninsured Maine citizens.

#### B. DOCUMENTS

MEAHP may present the following documents and other exhibits at the hearing:

- 1. Biosketch of Daniel Fishbein, M.D.
- 2. A two-page document from the Governor's Office of Health Policy and Finance dated June 11, 2003.
- 3. A chart prepared by CitiGroup for its 2006 Health Benefits Survey which was released on October 11, 2005.
- 4. A CIGNA Press Release dated March 18, 2004 regarding a weight management and smoking cessation program.
- 5. A two-page memorandum dated February 14, 2006 from Steven R. Michaud regarding Testimony in Opposition to LD 1935 An Act to Protect Health Insurance Consumers.
- 6. A four-page document entitled Testimony of MaineHealth in opposition to LD 1935, 'An Act to Protect Health insurance Consumers' and dated February 14, 2006.
- 7. A one-page document prepared by the Maine Hospital Association entitled Hospital Reductions in 04-05, Biennial Budget Public law 20 and dated January 14, 2004.
  - 8. The Dirigo Health Act, P.L. 2003 ch. 469 as amended by P.L. 2005 ch. 400.
- 9. All responses to discovery (whether admitted into the record on not) and all exhibits previously offered by MEAHP or any other party and admitted in the proceeding held before the Superintendent, Bureau of Insurance, State of Maine on October 24 and 27, 2005, and entitled "In Re: Review of Aggregate Measurable Cost Savings Determined by Dirigo Health for the First Assessment Year," Docket No. INS-05-700.

Date: March 22, 2006

Respectfully submitted,

D. Michael Frink, Ess. George M. Linge, Esq.

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## **CERTIFICATE OF SERVICE**

I hereby certify that by 5:00 p.m. on March 22, 2006, I served a copy of the above filing on the following parties and counsel of record:

Board of Directors (2 copies – via hand delivery and electronic mail)
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Dated: March 22, 2006

D. Michael Frink, Bar No. 2637 George M. Linge, Bar No. 9723